INSTRUCTIONS TO CANDIDATES

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer all the questions.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Do not write in the bar codes.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [ ] at the end of each question or part question.
- The total number of marks for this paper is 60.
- The quality of written communication is assessed in the question marked with an asterisk (*).
- This document consists of 16 pages. Any blank pages are indicated.
1 (a) A contract can contain different types of terms.

Identify the correct type of contract term for each of the following definitions. Write your answer in the right hand column next to the appropriate definition.

<table>
<thead>
<tr>
<th>Definition</th>
<th>Type of contract term</th>
</tr>
</thead>
<tbody>
<tr>
<td>A term agreed by the parties when the contract is made.</td>
<td></td>
</tr>
<tr>
<td>A term inserted into a contract automatically.</td>
<td></td>
</tr>
<tr>
<td>A term which does not ‘go to the root of a contract’.</td>
<td></td>
</tr>
</tbody>
</table>

(b) The law of negligence is a way in which people are protected from harm. Several things must be proved to create liability.

Complete each of the statements below.

Causation in negligence is assessed by using the ................................ test.

Breach of duty uses the ‘reasonable man’ which is an ............................ test.

A duty of care means that a manufacturer must not cause ............................ harm.

Question 2 begins on page 4
Read each of the following three situations and answer the questions below.

(i) Steve employs Frank, an experienced builder, to build a shed in his garden. Steve wants to work in his shed and tells Frank it is important that it is well-insulated. Frank quotes Steve £10,000 to do the job and Steve agrees the price. Frank buys cheap insulation to make a bigger profit. Frank rushes the job and when the shed is finished it is too cold for Steve to work in.

(ii) Gemma tells the salesman at an electrical shop that she wants to buy a quiet dishwasher because it will be in her kitchen, where she has dinner parties. The salesman recommends a dishwasher, saying it is the quietest on the market. Gemma says that the door can only be a certain size or it will not open when guests are having dinner. The salesman says the dishwasher will be fine. Gemma buys the dishwasher but it is very noisy and her guests have to move when she wants to open the door.

(iii) Roger wants to paint his bedroom blue. He goes to a do-it-yourself store and picks up a can which says 'all-purpose internal paint'. Roger buys the paint and paints his bedroom. Roger really likes the colour and he has some paint left over so he decides to paint the outside of his front door blue. A week later it rains and the paint peels off the door.

(a) Select the statutory implied term from the Sale of Goods Act 1979 or the Supply of Goods and Services Act 1982 which is most likely to be used in each of the above situations.

(i) Steve ...........................................................................................................................................
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(ii) Gemma ...........................................................................................................................................
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(iii) Roger ...........................................................................................................................................
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(b) Explain, giving a reason, whether the implied term has been breached in each of the situations (i), (ii) and (iii). State the best remedy, if any, in your answer.

(i) Steve ...........................................................................................................................................
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(ii) Gemma ........................................................................................................................................
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(iii) Roger .........................................................................................................................................
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(c) The consumer is protected in the provision of services by the **Supply of Goods and Services Act 1982**.

Explain, using an example, how the following two implied terms protect the consumer.

(i) The service is carried out within a reasonable time.

(ii) The purchaser only has to pay a reasonable amount for the service.
Question 3 begins on page 8

PLEASE DO NOT WRITE ON THIS PAGE
3 (a) Read the following passage and fill in the missing words from the list below:

- clothing
- foodstuffs
- number
- primary
- quality
- ultimate.

A negligence claim is not concerned with the ................. of defective products.

The first cases in negligence applied only to ................. .

Although the most obvious person to sue is the manufacturer, a claimant can be described as the ' ................. consumer'.

(b) Identify three products or goods which are specifically not covered by the Consumer Protection Act 1987.

1 ................................................................................................................................................

2 ................................................................................................................................................

3 ................................................................................................................................................
(c) The Consumer Protection Act 1987 provides protection to consumers. Under the Act, one of the categories of people which can be sued is the producer.

Select which three illustrations below show categories of people regarded as producers. Place ticks in the boxes next to the correct illustrations.

- Wholesaler
- Shop
- Car manufacturing
- Mineral extraction
- Shoe repairer
- Freezing vegetables
Kathy likes making soup at home. She buys a new blender from a respected internet shopping site which is advertised as perfect for making soup. Kathy reads the instructions before using the blender for the first time. She follows the instructions but as she is making soup the blender explodes burning her face.

Roberto is a gardener at a park and his boss sends him a new battery lawn mower. A label on the mower says ‘charge before use’ so Roberto puts the mower on charge before he leaves work as he wants to use it the next day. In the middle of the night, the mower overheats and catches fire. The shed in which Roberto put the mower burns down.

Zak makes yoghurt, which is stored in tanks that must be cleaned every day and kept at 20°C. One day, there is a power cut for four hours and Zak is so busy he forgets to clean the tanks or to check the temperature, which rises to 25°C. The next day Zak puts his yoghurt into pots and delivers them to a shop. Emily buys and eats a pot of Zak’s yoghurt. She is very sick because harmful bacteria are in the yoghurt.

State whether the law of negligence or the Consumer Protection Act 1987 or neither can best be used by Kathy, Roberto and Emily to try and make a claim in each situation.

Kathy ..........................................................................................................................................
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4 (a) Exclusion clauses can be included in contracts.

Place a tick next to the three clauses listed below which will be considered to be part of the contract.

<table>
<thead>
<tr>
<th>Clause</th>
<th>Tick</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Alex drives into a car park, takes a ticket at the entrance after putting money into the ticket machine and parks his car. The ticket contains a clause exempting liability for damage to cars.</td>
<td></td>
</tr>
<tr>
<td>B Mark takes his car to a new local garage to be fixed. He is given a receipt and is asked to read it before leaving. It contains a statement that the garage is exempt from liability for negligent work.</td>
<td></td>
</tr>
<tr>
<td>C Renu collects a regular order for some office supplies from a wholesaler she has contracted with on the same basis for several years. There is a clause on the invoice exempting liability for damage to goods.</td>
<td></td>
</tr>
<tr>
<td>D Waleed goes to stay in a hotel. When he gets to his room there is a notice exempting the hotel for loss or damage to any client's goods inside the hotel.</td>
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<tr>
<td>E Claire has negotiated a contract for supplying new desks to her business. Both parties sign a contract which contains a clause exempting liability for breach of contract.</td>
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(b) The Unfair Terms in Consumer Contracts Regulations 1999 make sure that a seller cannot take advantage of a consumer by using 'unfair terms'.

(i) State what is meant by an unfair term.

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(ii) Identify two examples of unfair terms.

1 ...........................................................................................................................................................................
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2 ...........................................................................................................................................................................
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(c) In each of the following situations select whether or not the *Unfair Contracts Term Act (UCTA) 1977* would apply. Place a tick in the appropriate column to indicate your selection.

<table>
<thead>
<tr>
<th></th>
<th>UCTA will apply</th>
<th>UCTA will not apply</th>
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<tbody>
<tr>
<td>Anne is going to cook a special dinner for her boyfriend. His</td>
<td></td>
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<tr>
<td>favourite food is steak so Anne goes to Bill's butcher's shop</td>
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<tr>
<td>and buys two steaks.</td>
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<td></td>
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<tr>
<td>Chris works as a fashion buyer for an on-line clothing company.</td>
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<tr>
<td>He buys 500 pairs of shoes at a fashion show for the company</td>
<td></td>
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<tr>
<td>to sell on their website.</td>
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<td></td>
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<tr>
<td>Dmitri is a fashion buyer working for the same company as</td>
<td></td>
<td></td>
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<tr>
<td>Chris. He attends the same fashion show and sees a pair of</td>
<td></td>
<td></td>
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<tr>
<td>red shoes. Dmitri thinks the shoes are perfect for his</td>
<td></td>
<td></td>
</tr>
<tr>
<td>girlfriend and buys them as a gift.</td>
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</table>

(d)* Explain why the courts *and* Parliament have developed controls on exclusion clauses. [9]

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